

BACKGROUND, PURPOSE AND POLICY RECOMMENDATIONS RELATED TO THE GOVERNOR’S COMMITTEE ON PEOPLE WITH DISABILITIES

Note: This document contains background information and policy recommendations related to the issue area of “Workforce” only. To access the Committee’s full report which covers ten issue areas, please visit the Committee’s website [here](#).

WORKFORCE

GOAL

Support full, integrated employment opportunities for people with disabilities in the public and private sectors.

Overview

“Texas Works Best When ALL Texans Work.” This simple truth is engraved on each of the [Lex Frieden Employment Awards](#) medallions, which are given by the Committee each year to Texas employers who demonstrate exemplary practices in the hiring and retention of employees with disabilities. The Committee firmly believes that every Texan with a disability deserves the opportunity to work if he or she chooses. Further, Texas employers and the State economy as a whole can benefit from an integrated workforce where people with and without disabilities work side by side. Despite existing legal protections that enshrine principles of nondiscrimination in the workplace, work remains to be done on building a truly integrated and inclusive workforce.

The Americans with Disabilities Act (ADA) calls for the full participation of people with disabilities in society, including in the workforce. Despite twenty-two years of ADA enforcement and litigation, parity in workforce participation by Americans with disabilities remains elusive. People with disabilities in the United States still face a higher risk of unemployment than their counterparts without disabilities.

The [Bureau of Labor Statistics at the U.S. Department of Labor](#) reports that the unemployment rate for people with disabilities was 15 percent in 2011. This was well above the 8.7 percent unemployment rate for people without disabilities. These statistics consider only those people with disabilities who were available for work and actively seeking it. In other words, the 15 percent does not include people who were not interested in work or not actively seeking it due to age, illness, or disability. People who were not working and were not seeking employment were considered “not in the labor force,” as opposed to “unemployed.” Here, too, the numbers were striking: roughly eight in ten people with disabilities were considered not in the labor force in 2011. Part of this huge ratio can be explained by the large number of people over the age of 65 with disabilities, who were not seeking work. Still, at every age group, people with disabilities were more likely than their peers without disabilities to be out of the labor force.¹

What explains the disparity in unemployment between people with disabilities and people without? Many people with disabilities continue to face complex obstacles to securing and maintaining employment. In addition to challenges that may arise directly from the person’s disability, applicants and employees may encounter attitudinal barriers, a lack of awareness of appropriate workplace services and supports, and a sometimes confusing patchwork of State and federal employment services. Additionally, people with disabilities who receive public benefits may fear losing necessary medical

coverage, such as coverage through [Medicaid](#), and important cash assistance if they secure even a low-paying job. An open-ended response to the Texas Governor's Committee Citizens' Input Survey cast the dilemma between employment and public benefits into stark relief: a citizen wrote that he had recently learned that if he secured gainful employment, he would no longer be qualified to receive a motorized wheelchair through a public benefit program. The wheelchair was not something he could afford on his own. The citizen wrote: "I do not believe I should be placed in a position to make such a choice. I want to work [... but] I *need* the electric wheelchair." ²

Respondents to the Texas Governor's Committee Citizens' Input Survey spoke almost unanimously about the importance of employment in the lives of Texans with disabilities. Eighty-six percent of respondents indicated that "increased employment opportunities for people with disabilities" was of "high importance" and 10 percent indicated that it was of "moderate importance," bringing the joint total to 96 percent. Given the diversity of survey respondents, a consensus among 96 percent of respondents is an eye-catching figure.

Further, survey respondents indicated strong interest in a range of possible responses to employment issues. Popular responses included "educate employers on the legal requirements of reasonable accommodations" with 82 percent of respondents "strongly" in favor; "foster hiring practices and policies inclusive of all people with disabilities" also with 82 percent "strongly" in favor; and "ensure that all state and local government websites provide a fully accessible job application process" with 80 percent of respondents strongly in favor. The popularity of the third response, that of ensuring that state and local governments provide accessible job applications, demonstrates the opportunity for governments to act as model employers of people with disabilities and to set examples for the private sector.

There are promising practices at work in Texas and in other states. The Committee's recommendations suggest building on existing promising practices and responding to emerging demographic trends. Specifically, the Committee's recommendations fall into four broad categories:

1. Educate employers about existing requirements and support an inclusive and flexible business climate in Texas;
2. Level the playing field for applicants and employees with disabilities through accessible workplace technology;
3. Enhance existing State services and encourage an integrated approach to service delivery; and
4. Respond quickly to emerging trends, including the aging of the workforce.

Background and Purpose: Support an Inclusive Business Climate

Everyone knows that Texas is the best place in the country to do business. ³ Employers and other job-creators flock to Texas to benefit from an economic climate that promotes innovation, allows for growth, and provides boundless opportunities. Texas employers would do well to utilize another

mechanism for growth, productivity, and success by increasing their hiring and retention of people with disabilities.

Disability advocates often refer to “making the business case” for the employment of people with disabilities, but the case is so persuasive, it makes itself. Supporting employment of people with disabilities is not just the right thing to do or a legal requirement, it is a business opportunity. As United States Assistant Secretary of Labor for Disability Policy Kathleen Martinez says, “the vast majority of policies and practices that promote the employment of people with disabilities are just good business practice.”⁴

This rosy outlook invites the question: if an integrated workplace is so beneficial to employers, why are applicants and employees with disabilities still encountering obstacles from employers? One answer is that myths and stereotypes about people with disabilities in the workplace persist. With more awareness of the benefits of an integrated workplace, more employers are likely to support employment of people with disabilities.

One common misperception about people with disabilities in the workplace is that employers will lose money through the legally-mandated provision of expensive accommodations; in fact, a study conducted by the [Job Accommodation Network](#) (JAN) demonstrates that the opposite is true. In a survey of over 1,500 employers, JAN’s results demonstrated that the benefit that employers received from making workplace accommodations for employees with disabilities far outweighed the low cost of the accommodations. Employers cited benefits including “retaining valuable employees, improving productivity and morale, reducing workers’ compensation and training costs, and improving company diversity.”⁵

Perhaps most striking was the finding that in over half of the cases, the accommodations cost absolutely nothing to make. In fact, the study found that 56 percent of employers reported the provided accommodations had no cost to the employer.⁶

In cases where affording accommodations proves a challenge for an employer, there is room for the State or federal government to step in to ease the financial burden. Several federal tax incentives assist employers’ efforts to pay for accommodations. These incentives include the Disabled Access Credit, the Architectural and Transportation Barrier Removal Deduction, and the Work Opportunity Tax Credit.⁷ Employers could benefit from awareness of these incentives and a strong understanding of how to make the incentives work for them and for their employees. State tax incentives would also assist with potentially expensive accommodations.

Another often overlooked aspect of employment of people with disabilities is the goodwill that employers are likely to receive as a result of an integrated workplace. A national survey of consumer attitudes towards companies that hire people with disabilities recently demonstrated that 92 percent of consumers felt favorably toward companies that hire individuals with disabilities. Further, the survey participants had strong positive opinions about the value of hiring people with disabilities; 87 percent of consumers agreed that they would prefer to give their business to companies that hire people with disabilities.⁸

Policy Recommendations:

- **Recommendation 10.1:** Encourage employers to promote full inclusion in the workplace, including through the provision of reasonable accommodations for employees with disabilities.
- **Recommendation 10.2:** Expand tax incentives for employers to hire and retain people with disabilities.
- **Recommendation 10.3:** Develop an educational campaign to improve employers' knowledge about the financial benefits of hiring and retaining employees with disabilities.

Background and Purpose: Level the Playing Field through Accessible Workplace Technology

Information and communication technologies play a significant and expanding role in the modern American workplace. Specifically, web-based information has become the foremost path to employment. Recruiting and hiring activities often begin or take place entirely over the Internet. In many instances, the only way to apply for a job or to request an interview is through the Internet. Further, job applicants often research prospective employers and scout job opportunities online. Many employers use websites to conduct job-related testing, provide training to employees, and share information.⁹

Technology plays a dual role in the employment of people with disabilities. Sometimes technology plays an [assistive](#) role. A person who is blind using a screen reading device to perform computer work and a person who is hard of hearing using an assistive listening device while communicating with clients are examples of employees with disabilities using technological devices as productivity-enhancing tools. To give a complete picture, it is only fair to remember that people without disabilities require workplace accommodations, too. Overhead lights, climate control devices, printed materials, and computer speakers are all common-place accommodations that enhance the productivity of many American workers with and without disabilities.

Technology takes on the other half of its dual role when it becomes a barrier. Picture the job applicant who finds that a Web-based job application is inaccessible to his screen reading device. Likewise, the first day on the job can be demoralizing for a new hire who discovers that he cannot access databases necessary for the performance of his job.

The Committee's recommendations in the area of workplace technology are two-fold, in response to the dual role of technology in the workplace. First, we recommend that employers continue to invest in accessible emerging workforce technologies, the kind of technologies that will act as productivity-enhancing tools for employees with disabilities. Second, we recommend that employers ensure that their hiring processes are completely accessible to people with disabilities.

Policy Recommendations:

- **Recommendation 10.4:** Encourage accessible emerging workforce technologies.
- **Recommendation 10.5:** Ensure all State and local government websites provide a fully accessible job application process.

Background and Purpose: Enhance Existing State Services

A person with a disability may struggle to secure employment in our current competitive environment. Our recent nation-wide economic downturn affected the employment of people with disabilities more significantly than it did those without disabilities. Since 2007, the United States has experienced a nine percent decline in the presence of workers with disabilities in the workforce.¹⁰

Unfortunately, unemployment is often linked to other struggles, including lack of health insurance coverage. Many Texans with disabilities who are currently facing unemployment are not eligible for benefits or cash assistance through the federal [Social Security Disability Insurance](#) (SSDI) program, which uses a stringent definition of disability, focusing on whether the person is able to perform any substantial gainful activity. Without recognition as a person with a disability by the Social Security Administration, the person does not automatically qualify for health coverage through [Medicaid](#). Instead, in these cases, qualification for Medicaid requires meeting a rigorous assets test. Meanwhile, those unemployed Texans with disabilities who do qualify for Medicaid may be seeking employment, not just to better their own lives, but to have access to an employer-sponsored health insurance program. In these cases, employment can serve as a Medicaid off-ramp and as a relative savings for the State of Texas.

The struggles of each individual facing unemployment are disheartening enough, but they also come with a price tag for society:

[t]he creation and sustainability of employment options for young, working age adults with disabilities is a critical component of efforts to improve community living options and a top policy priority for the disability advocacy community. Increased self-sufficiency from employment also can impact overall state Medicaid expenditures.¹¹

The State of Texas can prevent some people from falling through the cracks by providing streamlined, integrated supports to Texans with disabilities who are in need of services to assist in finding and retaining a job. If more people with disabilities can secure permanent employment, then more people with disabilities will have access to employer-sponsored health insurance and other benefits.

Further, the State of Texas can take an active role in creating employment opportunities for Texans with disabilities through public-private partnerships. The National Governors' Association, under Chair Jack Markell, Governor of Delaware, has rolled out a new initiative aimed at increasing employment of people with intellectual disabilities.

The initiative's goals are:

educating both private sector and public sector employers about accommodating people with disabilities in the workplace and the benefits of doing so; supporting state governments in joining with business partners to develop blueprints to promote the hiring and retention of individuals with disabilities in integrated employment in both the public and private sectors, and establishing public-private partnerships to build out those blueprints and increase employment of individuals with disabilities.¹²

The State of Texas can take cues from this national initiative and support public-private partnerships toward the hiring and retention of people with disabilities.

Policy Recommendations:

- **Recommendation 10.6:** Include businesses owned by people with disabilities in the State's definition of [Historically Underutilized Businesses](#) (HUBs).
- **Recommendation 10.7:** Encourage the [Texas Workforce Investment Plan](#) to utilize existing online resources to educate additional staff on placement needs and reasonable accommodations.
- **Recommendation 10.8:** Support continued funding and expansion of the [Texas Disability Navigator Program](#).
- **Recommendation 10.9:** Encourage public-private partnerships to increase the employment of people with disabilities.

Background and Purpose: Respond Quickly to Emerging Trends, Including the Aging of the Workforce

Demographics in the American workplace are expected to continue shifting dramatically in the near future. Nearly 25 percent of the United States' total population, over 74 million Americans, is aged 55 or older.

As our nation grays, so does our workforce. In 2009, almost 29 million members of this older demographic were in the labor force. Even among those aged 65-74, almost 25 percent were still in the labor force.¹³ These trends are expected to continue: the number of workers aged 55 and older is expected to increase 43 percent by the year 2018.¹⁴ Statistics like these challenge our traditional notions of retirement and have direct implications for disability employment policy.

As workers age, they tend to acquire age-related disabilities: workers aged 65 and older have a 42 percent prevalence of disability, compared to the 9.5 percent prevalence among workers aged 18 to 24.

¹⁵ Many of these workers will benefit from a flexible work environment. Employers will benefit, too.

Older workers have high levels of educational attainment and they consistently show their value through work ethic, loyalty, and reliability.¹⁶

Given these emerging trends, it is likely that the [Texas Workforce Commission](#), the [Department of Assistive and Rehabilitative Services](#), and other State agencies that provide workforce support will see growth in the number of clients 55 years of age and older. These agencies would do well to plan to build capacity to help the increasing number of older workers. Examples of strategies that could be incorporated into State agency plans include the education of job developers about the value of mature workers, “training and support for advising staff so they are better able to serve this group, and the development of worker training programs designed around the needs of older workers.”¹⁷ Further, employers could benefit from creating flexible terms of employment that will allow the employers to take advantage of the knowledge and skills of members of the mature workforce, while accommodating the distinct needs and preferences of these workers. Some employers are already beginning to develop innovative employment programs, such as “snowbird programs” that allow older employees to take time off during the colder months to temporarily relocate to a warm climate and return to work in the spring and summer. Other innovative approaches incorporate workplace flexibility, such as work from multiple locations or work from home; work hour flexibility, such as part-time work and job-sharing; benefit flexibility, including phased retirements and cafeteria plans; and flexibility in employment relationships, such as opportunities for project work, consultation, and independent contractor status.¹⁸

Policy Recommendations:

- **Recommendation 10.10:** Build capacities of workforce agencies to respond to needs of the aging workforce.
- **Recommendation 10.11:** Encourage practices that allow for flexible terms of employment that could benefit older workers while still ensuring productivity for the employer.

ENDNOTES

¹ U.S. Department of Labor. (2012, June 8). *Persons with Disability: Labor Force Characteristic Summaries*. Retrieved from the Bureau of Labor Statistics website:
<http://www.bls.gov/news.release/disabl.nr0.htm>

² 2012 Texas Governor's Committee Citizens' Input Survey

³ Donlon, JP. (2011, May 3) *Texas Best State to Do Business 2012*. Retrieved from the Chief Executive.net website: <http://chiefexecutive.net/best-worst-states-for-business> and Cohn, S. (2012, July 10). *Texas is America's Top State for Business 2012*. Retrieved from the CNBC website:
<http://www.cnbc.com/id/47818860>

⁴ Statement of Kathleen Martinez before the Committee on Health, Education, Labor and Pensions, United States Senate, July 14, 2011. Retrieved from the U.S. Department of Labor website:
http://www.dol.gov/sec/media/congress/20110714_Martinez.htm

⁵ Loy, B. (2012, September 1) *Workplace Accommodations: Low Cost, High Impact*, p. 2. Retrieved from the Job Accommodation Network website: <http://askjan.org/media/lowcosthighimpact.html>

⁶ Ibid, p. 3

⁷ Job Accommodation Network (2012, March 9) *Tax Incentives Fact Sheet*. Retrieved from JAN website: <http://askjan.org/media/tax.html>

⁸ Siperstein, G., Romano, N. & Mohler, A. (July 2005). *A national survey of consumers attitudes towards companies that hire people with disabilities*. Retrieved from Worksupport.com website:
http://www.worksupport.com/documents/romano_siperstein.pdf

⁹ National Association of States United for Aging and Disabilities. (2011) *State of the States Survey 2011: State Aging and Disability Agencies in Times of Change*. Retrieved from:
http://www.nasuad.org/documentation/nasuad_materials/NASUAD%20States%20Survey%202011.pdf

¹⁰ Ibid, p.5

¹¹ Ibid, p.5

¹² National Governors Association (2012), *A Better Bottom Line: Employing People with Disabilities*. Retrieved from the National Governors Association website:
<http://www.nga.org/files/live/sites/NGA/files/pdf/CI1213BETTERBOTTOMLINE.PDF>

¹³ Council for Adult and Experiential Learning, (October 2011). *State Strategies to Support the Maturing Workforce*, p. 2. Retrieved from: http://www.cael.org/pdfs/2011_TMT_State_Policy_email

¹⁴ Statement of Kathleen Martinez before the Committee on Health, Education, Labor and Pensions, United States Senate, July 14, 2011. Retrieved from the United States Department of Labor website: http://www.dol.gov/sec/media/congress/20110714_Martinez.htm

¹⁵ Bruyere, S. & Young, J., Cornell University (2012, October 10). *Workforce and Workplace Trends: Impact on Job Seekers with Disabilities and Service Providers*, p 3. PowerPoint presentation presented to the 2012 Southwest Disability Conference attendees

¹⁶ Munnell, A., Sass, S. & Soto, M. (June 2006). *Employer Attitudes Towards Older Workers: Survey Results*, p. 10. [Work Opportunities for Older Americans - Series 3]. Retrieved from the Center for Retirement Research at Boston College website: http://crr.bc.edu/wp-content/uploads/2006/07/wob_3.pdf

¹⁷ Council for Adult and Experiential Learning, (October 2011). *State Strategies to Support the Maturing Workforce*. Page 5. Retrieved from: http://www.cael.org/pdfs/2011_TMT_State_Policy_email

¹⁸ Bruyere, S. & Young, J., Cornell University (2012, October 10). *Workforce and Workplace Trends: Impact on Job Seekers with Disabilities and Service Providers*. PowerPoint presentation presented to the 2012 Southwest Disability Conference attendees